TECHNOLOGY CUSTOMER COUNCIL
Minutes of August 12, 2003

Final

Present: Steve Mosena, Steve Morris, Greg Wright, Leon Schwartz, Rich Jacobs, Lee Tack, Marvin VanHaaften, Larry Murphy, Gary Nichols,

Absent: Diane Kolmer, Cindy Eisenhauser, Carl Martin

Guests: Nadir Mehta, Mollie Anderson, Patti Allen, Kit Krogmeier, Marianne Mickelson, Judy Peters, Pat Lantz, Denise Sturm, Carol Stratemeyer, Teena Turnbaugh

Steve Mosena thanked all for being present. The council contact list was sent around for review and corrected as necessary. The revised contact list will be available at the September 14th meeting.

Steve asked if everyone received and read the minutes to the July 15, 2003 meeting. There was no discussion regarding the minutes. A motion was entered by Leon Schwartz to approve the minutes of July 15, 2003 and seconded by Greg Wright. All approved.

Pat Lantz, AG for DAS, stated that there would be an emergency rules meeting regarding DAS bylaws and rules. The meeting will be held on Wednesday, August 13, 2003, at 11:00 am, Hoover Building, A level, Director's conference room. Any changes to the rules must be sent to Carol Stratemeyer in writing prior to the 11:00 meeting.

Discussion was held regarding the consistency between the bylaws and rules. Mollie stated that there needed to be some consistency between the bylaws and rules but there could be some differences. One question discussed was in regard to substitutes. The rules state that there can be no substitutes. The reasoning behind this is for consistency, commitment and voting rights on the council.

Council members discussed the difference between substitutes and alternates. Mollie stated that she believed what was meant by substitutes was one agency attending for another agency. The council determined that they would state in the bylaws that the alternate would:

    a)   be from the same department as the appointed council member,
    b)   be designated by the department director,
    c)   have voting rights (Article 4, Section 7) in the absence of the appointed council member, and
    d)   attend the council meeting.

One vote per agency represented would be allowed. Therefore, the alternate would not have voting rights if the designed agency council member was present. Kit Krogmeier asked if the administrative rules also needed changed. Steve asked that rules be changed and will send a note to Carol regarding those changes prior to the Wednesday meeting.

According to the council bylaws (Article 4, Section 2), it states that the council shall consist of "nine (9) state agency representative." There breakout is: three (3) individuals from large agencies, three (3) individuals from medium agencies, and three (3) representatives from small agencies. Article 4, Section 4 discusses the terms of membership. "Each member will serve a two-year term; however, to ensure continuity of council functions, the first term for one representative from a large agency, one representative from a medium-sized agency, and two representatives of small agencies will be a 12-month term. The agencies filling the initial 12-month terms shall be selected by vote of the agencies in each respective size group." Each

group is to determine who the one-year term person will be and provide Steve the name of the one-year member within two weeks of this meeting.

Nadir Mehta made a presentation regarding glossary, definitions and customer relationship management (CRM). Nadir has experience in the design of CRM processes across the private sector. He uses that experience to reflect back to how it relates to the public sector. He basically created a process redesign starting with the DAS's vision and goals looking at the 12 points makes it more customer focused, more innovative plus working in a more efficient manner. The three main categories consist of processes, people, and systems. What has happened in the past is, your information is input into the system and then the processes is system oriented. Basically, we are stepping back and looking to see what processes, user needs and systems that impact those processes, so systems will become enablers to these processes. As far as the mission, DAS is to produce a high quality, affordable infrastructure that provides products and services to the state of Iowa and in a manner that empowers them to make a better decision. Today, we have several different sources of information coming in from several different places. What we want to do is identify a standardized process and standardized definitions so everyone will understand when we say mainframe services, e-mail, etc., they will know what it really does means.

Current DAS challenges consist of risk management—forecast into the future, not the past; customer choice—choose products and services; competition—looking from outside in as well as looking from inside out, determine who is our customer; manage dollars and resources—look forward 5 to 10 years; and, entrepreneurial management—looking from a customer point of view and be customer focused.

Before the council goes to far on glossy definitions, there needs to be a firm foundation set so everyone is on the same page. Mollie stated that the purpose is to provide customer focus, be customer driven and streamline customer contacts and services. We should know what is needed, by whom, before they are needed, plus the ability to track and follow-up on those needs. The idea is to take every piece and follow all areas through the whole process. Not just for IT but for all business. Currently services are all over the place. It will take about six to nine months to streamline the process completely.

The council needs to look how process reflects back from private to public sectors. We should have objectives, customers input and project status. Mollie said that due to the diverse types of business, i.e., General Services, Personnel, Accounting, etc. in DAS, it would be quite a challenge. There needs to be a look at how to create customer services. There are a variety of basic needs and DAS needs to find a system that will relate and meet everyone's basic needs. Lee Tack stated we needed to look at common intake process. Nadir stated they need to look at categories, i.e., calls into DAS as one set, building service to another set etc., and set baseline needs. Once you get the baseline need, then you need to select what you want. Nadir gave the definition of a basic service as something you need and add to, to get to another level of what you need or want.

Steve asked Nadir to explain the definition of a utility service. A utility service is nothing more than what you would expect from a base service coming from a public service. When you call and ask for a basic service, you get a price for it. From that point on, if you want additional services, then you have to pay more, cost increases incrementally with the additional service. Nadir used the example of Mediacom. Mediacom offers customers a level of service, i.e., basic cable, digital service, high speed internet, etc. A customer calls for basic service for one rate, then they want to add another service to the basic service, they move to another level of service and another rate.

Basically, it all stems from a basic service. You start with a basic service; you have a rate for that basic service. The rate is discussed and a formula is set up. As a council for a utility, you learn about and understand what goes into the rate setting, all the ingredients in the rate, the formula

for the rates, and how you come up with the rates and then set those basic rates for that service. Once the rates are established, what you have done is set up a set of guidelines for IT.

Mollie stated a category could be when you hire someone, there is one process for paperwork, phone, computer connections, office, etc. Nadir stated there is a need to look at the customer's point of view instead of the system point of view. Nadir will identify and describe processes and services. He will share the information at the next meeting.

Mollie stated the Governor would decide what component is a utility and what is not based on input from the council. DAS will operate the utility on the Governor's behalf. The Governor expects all executive branch departments to use DAS to purchase utility services. Decisions must be made whether pricing will be based on a per service basis with everyone receiving the basic service at the same price or not. Additional services can be purchased as the need arises. The money would come from the different department's budgets as part of doing business. There was also some discussion about charging department's different rates based on agreements, communication needs, etc.

There was some concerns stated. They were:
a) Some departments already have e-mail in place. If moved to DAS, how would that be done.
b) There are several dependent remote locations throughout the state, i.e., DHS mainframe services, Corrections, etc. How handled?
c) If DAS charges each department different rates, some agencies would have a problem with their federal partners. The feds do not like them paying higher rates than everyone else due to the match rate of dollars.

The next step is to start where we are today, clarify what utilities are gong to be and move forward from there.

Steve stated there are already categories in place: e-mail, PKI, I-3 and mainframe. Products versus processes need to be reviewed. Council needs to review how ingredients are set aside, how everything is billed, and how to break everything down. Mollie stated just because a product or service is a marketplace doesn't mean we won't have standards aside for the service. We need to separate the standards and the utility. Steve believes, as the CIO Council should look at the customer base and provide recommendation to the DAS Council. The DAS Council should approve the standard and the Governor's Office is to officially adopt the standards.

One option is that all three mainframes will be utilities and services billed back. The decision hasn't been made about that to date. Lee suggested all three be put together and then review individually. Nadir looked at the marketplace as a whole. He worked on definitions and model based on services and came up with results. Looking for DAS Council for assistance. Mollie sees this as needing to take a triage approach.

Denise stated cost information regarding the Hoover Mainframe and the IT mainframe charges should be available. This information should be passed to the management team and then back to the Denise by 9/13. Mollie stated more information is needed but she will provide what she can. The reports should show lines of service, what they cost, FTE costs, cost of e-mail, etc. The council should get input from the CIO Council regarding recommendations for standards but the CIO Council does not own or authorize standards.

I-3 is nearing the implementation phase and has strong support from the Governor and Legislature. The only way this project can be successful is if everyone plans to use it. There was a huge learning curve on this project. A problem could arise if the legislature provides money to build I-3 but no funding is provided to maintain the system. Someone will eventually have to pay, but right now, there is no budget set-aside for payroll, budgeting, etc. It needs to be determined whether I-3 is a service or a utility. Governor suggests it is a utility. Legislature may have other

thoughts. Nothing has been determined to date. There is fear that people will opt out if charged. If legislature determines it is a utility, a rate will need to be determined and eased into the budget. Legislature is going to ask for update and a discussion will occur on how to handle. Next step for I-3: talk to directors, determine if I-3 is a utility, and determine if DAS Council is to set rates.

Next steps:

1) Make changes to contact list and distribute.
2) Get into groups and decide council member selection of 1-year vs. 2-year terms. Provide selection to Steve within 2 weeks, August 27th.
3) Talk to agencies not represented on the council to see how Council can communicate effectively. Want feedback from large, medium and small agencies. (Denise stated the DAS website would be a good communication tool for all agencies and could have specific information, i.e., meeting minutes, presentations to all customer council meetings, etc. within 4-6 weeks.)
4) Review list of processes and services.
5) Provide costing information in a timely manner so can get feedback from non-represented agencies
6) Determine role of Council. Should agencies review information prior to or after DAS Council reviews?
7) DAS Council should receive all information early so they can review prior to voting.

Next meeting is scheduled for September 16, 1:00 p.m., Hoover Building, 1st Floor Conference Rooms. There will also be a meeting on October 14th, same time, same place.

Rich Jacobs made a motion to adjourn with Greg Wright seconding the motion.